

Arkansas State University System Prescription Drug Program

The Arkansas State University (ASU) prescription drug program involves a partnership with the University of Arkansas for Medical Sciences (UAMS) College of Pharmacy's Evidence-Based Prescription Drug Program (EBRx). EBRx reviews new and existing drugs using the best-available peer-reviewed, published medical literature and provides recommendations to ASU concerning the Plan's drug coverage policies. These recommendations, if accepted, are incorporated into the ASU prescription drug benefit. The goal of the ASU program is to provide a clinically sound benefit that remains affordable for the Plan and its participants.

New Drugs to Market

All new drugs entering the market will automatically be excluded from coverage. These drugs will remain excluded until evaluated by the EBRx Pharmacy and Therapeutics Committee. If this committee, made up of practicing physicians and pharmacists, determines that a product should be covered, it will then be moved to the appropriate preferred or non-preferred copay tier on the Formulary. Otherwise, it will remain excluded from coverage. ***It is important to know that any out-of-pocket costs associated with excluded drugs will not be applied to the member's maximum out-of-pocket limit.***

Drug Formulary / Preferred Drug List

The ASU Prescription Drug Program used a Drug Formulary (also called a Preferred Drug List – PDL) that identifies the drugs and drug categories covered by the Plan. This Formulary classifies drugs into one of six co-payment tiers. Medications that are not on the Formulary are not covered by the Plan and any cost associated with the drug would be the responsibility of the member. A member's out-of-pocket cost for an excluded drug will not be applied to the member's maximum out-of-pocket limit. A copy of the Plan's Formulary / Preferred Drug List can be found at <http://www.asusystem.edu/mybenefits>.

Member Co-Pays

The Plan's current co-payment structure is summarized in the table below.

Category	Retail	Mail	Specialty
Generic Drugs*	\$12.00	\$36.00	N/A
Preferred Drugs*	\$50.00	\$150.00	N/A
Non-Preferred Drugs*	\$80.00	\$240	\$80.00
Reference-Based Priced Drugs*	Varies	Varies	N/A
Maximum Days' Supply	31	93	31

* See Generic Drugs and Reference-Based Pricing sections below as some high-cost generic drugs may require higher co-payments.

Generic Drugs

In most cases, generic drugs provide a means for saving you and the Plan money without sacrificing quality. Most generics reside in the lowest co-payment tier of the Formulary and choosing such generics saves money for you and your Plan. Alternatively, choosing to fill a brand-name drug that is available in an equivalent generic form will require a brand copayment **PLUS** the difference in the cost between the generic and equivalent brand-name drug.

It is important to note that, historically, generic drugs have universally represented cost savings over equivalent brand-name drugs. However, in today's pharmaceutical marketplace, that is no longer the case. Many generic drugs exist that are as costly as their brand counterparts. In order to protect the ASU health plan from unnecessary financial exposure, high-cost generic drugs are handled differently.

- New generics to market are placed in the same tier as their equivalent brand until the cost of the generic drug decreases to an acceptable level. These generics will be identified on the Formulary by (NG).
- Some high-cost generics are included in the Reference Pricing list and are associated with significant co-payments. These generics will be identified on the Formulary by (RP).

Reference-Based Pricing (RP)

Reference-Based Pricing is a cost-containment policy that applies to select drug categories where (1) little to no difference in clinical effectiveness exists and (2) significant differences in cost exist among products. In drug categories involving Reference-Based Pricing, the most cost effective products are selected as the "reference" drugs. The Plan's cost per unit (tablet, capsule, etc.) for the "reference" drugs is called the "reference price" and is applied across the specific category. The "reference" drugs will generally be available at the Plan's generic co-payment. For all other drugs in the category, the Plan will pay up to the "reference price" per unit and any remainder of cost will be the responsibility of the member. In these categories, copays for reference-priced drugs can be substantial. It is important to know that some high-cost generic drugs will require much higher co-pays. In the event the price of the high-cost generic drug decreases to an equitable level, the generic drug will be moved to the generic co-payment tier. ***It is also important to know that out-of-pocket costs for reference-priced drugs are not applied to the member's maximum out-of-pocket limit.***

Please refer to the Formulary / PDL for the drug categories involving Reference-Based Pricing. These products are identified on the PDL with (RP).

Other Drug Therapy Management Tools

In an effort to ensure prescription coverage remains affordable for the Plan's members, it is necessary to employ a variety of Drug Therapy Management Tools for covered drugs. These programs help reduce unsafe usage and costly medication wastage as well as encourage cost-effective drug therapy. Brief descriptions of these programs are provided below.

Dosing Guidelines / Quantity Limitations

Dosage guidelines or quantity limits are employed by the Fund to ensure safe and effective drug usage. These guidelines are consistent with FDA-approved labeling and limit the amount

of a particular medication that can be dispensed (1) per prescription, (2) per day, or (3) per timeframe.

Step/Contingent Therapy

Step Therapy is designed to manage drug therapy in a “stepped” fashion that is consistent with established treatment guidelines. Step therapy also promotes cost-effective drug therapy, where appropriate, whereby the most cost-effective drugs are tried before other more expensive therapies. It is important to understand that Step Therapy does not promote or require the use of inferior drug products and is not based solely on cost. In many situations, the newest and most heavily promoted drugs lack documented evidence that they are better than older and less expensive drugs. Therefore, Step Therapy may allow “step 2” drugs to be covered contingent upon (1) the prior use of a “step 1” drug or (2) presence or absence of a particular diagnosis or circumstance. These products are also identified on the PDL with (ST).

Prior Authorization (PA)

Prior Authorization is a utilization management tool that helps ensure appropriate usage of certain medications and is an important feature in keeping the prescription drug benefit affordable. For drugs requiring prior authorization, the Plan has adopted coverage criteria developed by EBRx. Drugs that usually require prior authorization include those with high potential for serious side effects, expensive, or potential for inappropriate use.

The following steps should be taken in order to obtain a Prior Authorization:

- Your **physician** may contact EBRx (Evidence Based Prescription Drug Program) call center at the UAMS College of Pharmacy) by calling (833) 339-8402, Option 1, to discuss prescription drugs that require prior authorization.
- A team of pharmacists is available to evaluate the information provided by your physician.
- Once the prior authorization guidelines are met, your prior authorization will be approved and entered into the system.
- If the guidelines are not met, your physician will be notified.
- If the prior authorization is denied, you can still obtain your medication; however, you will be financially responsible for the full cost of the prescription. Member costs associated with non-covered drugs will not be applied to the maximum out-of-pocket limits.

In the event a prior authorization request is denied, your physician may appeal the denial by sending documentation to:

EBRx Medical Director

Attn: ASU APPEAL

4301 W. Markham, Slot 522-9

Little Rock, AR 72205

Documentation may also be faxed to EBRx at (877) 540-9036 or (501) 526-4189

Member Assistance

Members having general questions about the Plan's prescription drug coverage should call the EBRx call center at (833) 339-8402, Option 2. The hours of operation are Monday – Friday, 8:00am – 5:00pm CST.

Specialty Pharmacy

Very expensive medications (many of which are injectable) are covered under the Plan's prescription drug program. However, due to the extreme cost of these products, they will be covered and distributed through an Arkansas-based specialty pharmacy provider, Allcare Specialty Pharmacy. The Evidence-Based Prescription Drug program (EBRx) at UAMS will need to be contacted for prior authorization by calling (833) 339-8402, Option 1. If approved, the authorization will be referred to Allcare Specialty Pharmacy. The member or physician will then be contacted to arrange for shipment of the medication.

The member will also be provided instructions on how to obtain subsequent refills, when refills are prescribed by the physician. Specialty medications are limited to a maximum of 31 days per prescription. Currently, member co-payments for Specialty medications are \$80 for up to 31-day's supply.

The list of Specialty medications is available at <http://www.asusystem.edu/mybenefits>.

Allcare Specialty Pharmacy can be reached at:

Allcare Specialty Pharmacy

Phone: (855) 780-5500.

Customer Service

Monday – Friday

8:00am – 5:00pm, CST

Website: www.allcarepharmacy.com/#Specialty

Mail Service Pharmacy

The mail service prescription program is designed to assist individuals who take maintenance medications (i.e. drugs taken for an extended period of time for conditions such as diabetes, high blood pressure, heart, or thyroid conditions). You will need to obtain two (2) 31-day supplies of medication or two fills at a network retail pharmacy before the mail order program can be utilized. This helps to ensure that prescriptions are appropriate for the duration of therapy. If medication is still required after the two (2) 31-day supplies or two (2) fills, you may ask your physician for a prescription for up to a 93-day supply, if appropriate. The mail service program allows you to obtain a 93-day supply of certain medications at one time for three (3) months co-payments.

ASU's mail service provider is MedImpact Direct. Their contact information:

Phone: (855) 873-8739

Customer Service Hours

Monday – Friday

7:00am – 7:00pm, CST

Saturdays

8:00am – 4:00pm CST

Website: www.medimpactdirect.com

Each mail order prescription is limited to a maximum quantity limit of a 93-day supply. Pharmacies are required by law to dispense the prescription in the exact quantity specified by the physician. Therefore, if the quantity prescribed is for less than 93 days per refill, the mail order pharmacy will fill the exact quantity written by the physician. Please be aware that not all medications are available through the mail order program.

In the event a member obtains prescription medication without using the pharmacy program and pays cash for the services, a paper claim may be submitted to the Plan for reimbursement. Actual receipts from the pharmacy containing essential information (member name, ID#, date of birth, name of patient, name of drug, quantity dispensed, amount paid by the member, pharmacy name, pharmacy address, physician name) must be submitted for consideration of payment. Such paper claims should be submitted to:

Arkansas State University System
Attn: Direct Member Reimbursements
501 Woodlane Street, Suite 600
Little Rock, AR 72201

Timely Filing

In the event that a medication is not processed through the prescription drug program at the time of service, the member has 180 days from the date the prescription is filled to submit for member reimbursement. **Please note that paper claims submitted by a member are subject to the same coverage criteria as any other prescriptions. Paper claims are processed at the same discounted pharmacy rate that would apply had the pharmacy processed the claim. Member reimbursement will be applied after the plan discount and member copayment are determined. This may result in a member reimbursement less than what is expected. Submission of materials does not guarantee payment.**